

**LEMON GROVE CITY COUNCIL
AGENDA ITEM SUMMARY**

Item No. 1.E
Mtg. Date February 21, 2017
Dept. City Manager's Office

Item Title: Support for Senate Bill 1 (Beall) and Assembly Bill 1 (Frazier)

Staff Contact: Lydia Romero, City Manager

Recommendation:

Adopt a resolution (**Attachment B**) supporting Senate Bill 1 (Beall) and Assembly Bill 1 (Frazier) related to increased transportation funding introduced this legislative session.

Item Summary:

Senate Bill (SB) 1 introduced by State Senator Jim Beall and Assembly Bill (AB) 1 introduced by Assembly Member Jim Frazier are legislative measures that would increase revenue for local jurisdictions to rehabilitate and rejuvenate California's aging infrastructure.

The staff report (**Attachment A**) provides an analysis of how these measures would increase the state allocation to the City of Lemon Grove for street repair and rehabilitation. Staff recommends that the City Council support both measures by way of resolution (**Attachment B**) as they move through the legislative process.

Fiscal Impact:

If either measure is passed and signed by Governor Brown, Lemon Grove will see an annual estimated increase of \$900,000 in the funding received for road repair and rehabilitation once all proposed increases are fully implemented.

Environmental Review:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Not subject to review | <input type="checkbox"/> Negative Declaration |
| <input type="checkbox"/> Categorical Exemption, Section [] | <input type="checkbox"/> Mitigated Negative Declaration |

Public Information:

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> None | <input type="checkbox"/> Newsletter article | <input type="checkbox"/> Notice to property owners within 500 ft. |
| <input type="checkbox"/> Notice published in local newspaper | <input type="checkbox"/> Neighborhood meeting | |

Attachments:

- A. Staff Report
- B. Resolution 2017- []

Attachment A

LEMON GROVE CITY COUNCIL STAFF REPORT

Item No. 1.E

Mtg. Date February 21, 2017

Item Title: **Support for Senate Bill 1 (Beall) and Assembly Bill 1 (Frazier)**

Staff Contact: [Lydia Romero, City Manager]

Discussion:

Senate Bill (SB) 1 introduced by State Senator Jim Beall and Assembly Bill (AB) 1 introduced by Assembly Member Jim Frazier are legislative measures that would increase revenue for local jurisdictions to rehabilitate and rejuvenate California's aging infrastructure. This is the third year in which the Governor and State Legislature have grappled with trying to create additional revenue to address the approximate \$130 billion maintenance backlog of the State's highways, bridges and local roads. The backlog is comprised of approximately \$59 billion for State highways and \$73 billion for local streets, roads and bridges. The Governor, Senate President Pro Tem and Assembly Speaker are committed to moving this funding measure by the April 6 deadline.

Both SB 1 and AB 1 are similar measures that would raise about \$6 billion annually by raising revenue with:

- A 12-cent increase to the gas tax (SB 1 would phase this increase in over three years);
- Ending the Board of Equalization's "true up" process on the unreliable price based excise tax on gas;
- A \$38 increase to the vehicle registration fee;
- A \$100 vehicle registration fee on zero emission vehicles;
- A 20-cent increase to the diesel excise tax;
- \$300 million from existing Cap-and-Trade funds; and
- \$500 million in vehicle weight fees phased in over five years.

In addition to generating revenue, the proposal includes a series of reforms to improve efficiency, transparency and accountability, such as restoring independence to the California Transportation Commission, creating the Office of the Transportation Inspection General with audit and investigation authority over the State's transportation spending, and establishing local reporting requirements on local transportation spending. To streamline roadwork, the bill permanently extends and expands on the limited exemptions to California's Environmental Quality Act (CEQA) for repair, maintenance and minor alteration projects on existing roadways to cities and counties with populations greater than 100,000.

The annual allocation for Lemon Grove would be close to \$900,000 once all revenue increases are fully implemented. These additional funds would be critical in providing financial assistance to address the City's aging infrastructure, such as the backlog of our pothole-ridden streets.]

Conclusion:

Staff recommends that the City Council adopt the resolution (**Attachment B**) supporting SB 1 (Beall) and AB 1 (Frazier) as both of these legislative measures move through the legislative process.]

Attachment B

RESOLUTION NO. 2017-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEMON GROVE, CALIFORNIA SUPPORTING SENATE BILL 1 (BEALL) AND ASSEMBLY BILL 1 (FRAZIER)

WHEREAS, State Senator Beall introduced Senate Bill 1, a measure related to transportation funding; and

WHEREAS, Assembly Member Frazier introduced Assembly Bill 1, a measure related to transportation funding; and

WHEREAS, State and local roads have a maintenance backlog of \$130 billion, with \$73 billion belonging to local communities lacking adequate revenue to properly maintain their communities streets and roads; and

WHEREAS, SB 1 and AB 1, as proposed, will increase revenue dedicated to addressing the backlog by raising about \$6 billion annually, with \$2.2 billion going to local communities to address their failing streets and roads infrastructure; and

WHEREAS, if these measures are approved and signed by Governor Brown, Lemon Grove may get an allocation of approximately \$900,000 annually to help address our local streets and roads maintenance and repair backlog.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lemon Grove, California hereby:

1. Supports Senate Bill 1 (Beall) and Assembly Bill 1 (Frazier) in the 2017 legislative session; and
2. Instructs staff to prepare the necessary letters to be signed by the Mayor that expresses the City of Lemon Grove's support for SB 1 and AB 1.

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